ERIC Document Resume	See Instruction Sheet	DATE OF RESUME 7/1/65	DATE RECEIVED

A. PUBLICATION DATA

1. ERIC NUMBER	2. ORIGINATOR CONTROL NO(S).	3. IDENTIFICATION NO.	DO NOT WRITE IN SPACE BELOW
ED000846	8372		

4. AUTHOR(S):
N.A.

5. TITLE OF DOCUMENT ABSTRACTED:
Financing Faculty Salaries

6. PUBLICATION TITLE:
Financing Higher Education, No. 12

7. EDITOR(S):
N.A.

8. PLACE OF ORIGIN
ORG. Southern Regional Educational Board
ST. 130 Sixth St., NW
CITY, STATE Atlanta, Georgia
TELE. EXT.
INST/LOC CODE

9. PUBLISHER OR SOURCE
Southern Regional Education Board

10. VOL.	11. PAGES	12. MO./YR.	13. TOTAL PP.
N.A.	N.A.	63	4

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TYPE OF REPORT
PROPOSAL ☐
IN-PROGRESS ☐
FINAL ☒
FOLLOW-UP ☐

OTHER ERIC REFERENCES:

ERIC SATELLITE CODE

B. INDEXING DATA

14. SUBJECT AREA

15. TYPE OF ENDEAVOR
report

16. INDEXING TERMS (6-12)

teachers Y-21	recruitment P-32			
salaries Y-00	retention P-41			
finances G-31	rank P-29			

17. ABSTRACT (MAX. 250 WORDS)

A critical discussion of salary schedules in relation to recruiting and retaining faculty in Southern institutions with emphasis on the differences in salaries between instructors and professors. Figures are given for faculty salaries for 1957–58 and 1961–62 in public and private institutions of the 16 States in the Southern region.

ERIC No.

18. SOURCE OF ABSTRACT

C. FUNDING DATA

19. SUPPORTING ORGANIZATION	20. DIVISION OR DEPT.	21. CONTRACT NO. / PROJECT NO.
	22. TOTAL COST OF PROJECT	
	23. DURATION OF PROJECT	U.S. Department of Health, Education, and Welfare Office of Education

ERIC Form 1

Number 12 in a Series
1963

Financing Higher Education

A Service of the Southern Regional Education Board
130 Sixth Street, N.W. — Atlanta 13, Georgia

R-7-9

U. S. DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
Office of Education

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8372

Financing Faculty Salaries

THE DAY HAS GONE when the university could play a game of hide and seek about matters of finance involved in administrative responsibility. The average citizen is now aware that the value of the college education which his son or daughter is getting largely depends on the way in which money is spent by the college of his choice —how much for libraries, how much for research, how much for instruction.

College money matters can no longer be swept under the rug. They are out in the open, and because they are, a new analytical approach to college and university financial problems is becoming more common today.

One of the biggest problems tackled through the new approach, in the South as elsewhere, is faculty salaries. The crux of the problem is pinpointed in this quotation from the President's Committee on Education Beyond the High School.

"The plain fact is that the college teachers of the United States, through their inadequate salaries, are subsidizing the education of students, and in some cases the luxuries of their families, by an amount which is more than double the grand total of alumni gifts, corporate gifts and endowment income of all colleges and universities combined."

This issue of *Financing Higher Education* discusses some issues concerning faculty salaries—the largest single item of instructional cost.

The Cost of Instruction

"Instruction" is one of several items which make up the "educational and general" expenditures of any institution. Other items are the costs of administration, extension, libraries, plant operation, and organized research (see *Financing Higher Education*, No. 3, titled, "Understanding A College Budget"). Although expenditures vary considerably from one institution to another, instruction costs average about 40 per cent of all the expenditures for educational and general purposes in institutions of the region and nation.

The past decade has been a time of rapid salary increase for faculty throughout the nation. Southern institutions have shared in this development. For example, at the University of Kentucky the average salary of department heads and professors rose from $8,010 to $10,410 during the period 1955 to 1960—a 30 per cent increase. Salaries of associate professors increased 29 per cent, of assistant professors, 26 per cent, and of instructors, 24 per cent. At the University of North Carolina the *maximum* salary for professors increased from $13,990 in 1954 to $20,600 in 1959. The minimum salary for instructors at that university climbed from $2,760 in 1954 to $4,500 in 1959.

Each year the American Association of University Professors grades faculty salaries according to their position on a national scale. For the first time, in 1962, a Southern university, Duke, received a grade of "A" for its average salary scale and its minimum salary scale. Other Southern institutions which have attained particularly high average levels according to a national standard are Johns Hopkins University, Florida Presbyterian College and the University of Virginia.

Two kinds of forces have operated to bring about these changes: (a) the conscious efforts of individuals and groups which are working for the improvement of education, and (b) the more or less invisible forces which are implied in the term "academic market place."

One of the most influential examples of the first of these was the recommendation of the President's Committee on Education Beyond the High School, in 1957, that those responsible for academic budgets "give the absolute highest priority to raising the salaries of college and university teachers as substantially as may be necessary to reach and then maintain levels which, together with other advantages, will provide the teaching profession with an equitable share of our best talent and abolish the faculties' hidden subsidy to education. In the light of necessity and equity the Committee suggests that the national goal be set at no less than double

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the present average salary level within five to ten years, although it recognizes that there will be substantial differences by region and by institution. In moving toward this goal, special emphasis should be given to achieving a much greater 'spread' between the bottom and top of each institution's salary structure, and care should be taken to avoid serious imbalances among the various fields of teaching."

The concern of the President's Committee on Education Beyond the High School to achieve a greater "spread" between the bottom and top salary of each institution was based on several premises. One of the reasons why Southern institutions must favor such a spread is their urgent need to attract and retain that nucleus of superior scholars who may spell the difference between an atmosphere of mediocrity or of excellence at an institution. These scholars have usually attained the higher academic ranks by the time they have achieved academic distinction. Raising the maximum salary of full professors pays rich dividends to an institution when this means keeping the best minds at home.

In 16 Southern states, professors' salaries at publicly controlled institutions average $3,450 more than instructors' salaries, while the national difference between these ranks is $5,010 (Table 1). At private institutions the difference between instructors' and professors' pay is $3,570 in the region and $4,490 in the nation. As they adjust faculty salaries, Southern institutions, more than those of the nation, have chosen to relieve economic pressure on the lower ranks rather than to assure the retention of top quality and to increase incentives through the establishment of greater room for advancement—another objective toward which the 1957 Com-

TABLE 1

THE "SPREAD" BETWEEN INSTRUCTORS' AND PROFESSORS' PAY IS LESS IN THE SOUTH THAN ELSEWHERE

	Public Institutions						Private Institutions					
	Professors			Instructors			Professors			Instructors		
State*	1957-58	1961-62	Per Cent Change 1957-58 to 1961-62	1957-58	1961-62	Per Cent Change 1957-58 to 1961-62	1957-58	1961-62	Per Cent Change 1957-58 to 1961-62	1957-58	1961-62	Per Cent Change 1957-58 to 1961-62
United States	$8,530	$10,650	24.9	$4,840	$5,640	16.5	$7,360	$9,830	33.6	$4,250	$5,340	25.6
SREB States	7,240	8,620	19.1	4,280	5,170	20.8	6,290	8,210	30.5	3,610	4,640	28.5
Alabama	6,570	7,500	14.2	3,390	4,550	34.2	5,230	7,060	35.0	3,320	4,700	41.6
Arkansas	7,700	8,870	15.2	3,090	4,970	60.8	5,230	7,060	35.0	3,370	4,500	33.5
Delaware	8,110	9,790	20.7	4,650	5,150	10.8	-----	-----	-----	-----	-----	-----
Florida	7,650	9,610	25.6	4,360	5,480	25.7	6,640	8,520	28.3	3,610	4,960	37.4
Georgia	6,720	8,080	20.2	4,150	4,900	18.1	6,480	7,030	8.5	3,630	5,450	50.1
Kentucky	7,080	8,410	18.8	4,350	5,230	20.2	5,240	6,600	26.0	3,410	4,600	34.9
Louisiana	7,680	8,070	5.1	4,240	5,430	28.1	7,350	10,120	37.7	4,210	4,810	14.3
Maryland	8,360	9,040	8.1	4,940	5,540	12.1	7,610	13,920	82.9	3,760	5,100	35.6
Mississippi	6,160	7,910	28.4	3,480	4,350	25.0	5,720	6,030	5.4	3,160	4,320	36.7
North Carolina	8,170	8,840	8.2	4,430	5,620	26.9	7,230	8,500	17.6	3,790	4,420	16.6
Oklahoma	6,860	9,120	32.9	4,380	5,510	25.8	5,850	6,880	17.6	3,780	4,430	17.2
South Carolina	6,470	8,530	31.8	3,730	5,090	36.5	5,440	6,790	24.8	3,170	3,990	25.9
Tennessee	7,030	7,750	10.2	3,980	4,700	18.1	5,710	6,650	16.5	3,390	4,240	25.1
Texas	7,110	8,630	21.4	4,490	5,210	16.0	5,270	7,750	47.1	3,540	4,490	26.8
Virginia	7,700	9,130	18.6	4,400	5,100	15.9	6,270	8,160	30.1	3,880	4,860	25.3
West Virginia	6,430	8,160	26.9	4,250	5,240	23.3	5,730	7,630	33.2	3,680	4,780	29.9

* State by state tabulations furnished through courtesy of the United States Office of Education.

Salaries of Full Professors and Instructors, 9 to 10 Months' Service, Public and Private 4-Year Institutions, 1957-58 and 1961-62, and Per Cent Change 1957-58 to 1961-62

SOUTHERN REGIONAL EDUCATION BOARD
130 SIXTH STREET, N. W.
ATLANTA 13, GEORGIA
TR 5-9211

FOR RELEASE SUNDAY, FEBRUARY 17, 1963

FROM: RUDOLPH PATE

ATLANTA, GA--Dec. -- The states of the Southeast pay the lowest salaries in the nation to professors and instructors on their college faculties. Four years ago this was true, too, but today the Southern salaries lag further behind the rest of the nation than they did four years ago.

These facts, and some more about the toll they take of higher education in the South, are included in the Southern Regional Education Board's publication, Financing Higher Education, Issue No. 12, released today.

Four years ago, the South paid its instructors an average of $394 less than the national average. Today they are paid some $619 less than the national average. Full professors in the South earned an average of $1,122 less than the average four years ago--today they earn some $1,520 less.

The gaps between faculty salaries grow larger in spite of the fact that salary levels in the South have increased 19 per cent for instructors and 26 per cent for full professors during the four years, the SREB reports. Such improvement is behind that made in other parts of the nation where instructors' salaries increased 22 per cent and professors increased 27 per cent.

These budget facts cheat the South of many potentially good teachers for its colleges and universities in two ways, the SREB said.

First, because young people in the South will be attracted to other professions which offer better salaries, and second, because those who do want to teach in spite of everything, will want to teach in other parts of the country where the salaries are better.

(more)

√ SREB was established in 1949 under interstate compact, now ratified by the legislatures of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

√ SREB aids in the social and economic advancement of the South by assisting states to improve the quality of higher education . . . provide the widest opportunity possible in higher education . . . build educational programs which meet the social and economic needs of the region.

√ SREB is devoted to helping Southern colleges build high quality research and educational programs . . . by providing regional support and utilization of advanced programs . . . and avoiding unnecesssary duplication of facilities among the compact states.

A study by Dr. John W. Gustad made while he was at the University of Maryland shows that many college teachers who leave the profession give low salaries as the primary reason for their change. The study showed that other jobs attract them at better salaries than the colleges pay. For instance, the starting salary for jobs requiring a Ph.D. is $8,500 to $10,000 in industry--it is $5,000 to $7,000 at large colleges and universities.

"Most current surveys have shown that salary is important in the recruitment and retention of adequate faculty staff," said Dr. E. F. Schietinger of the SREB research staff. "The South's failure to provide good salaries and sufficient opportunity for advancement in salary at the university is costing its talents which are badly needed at this time."

* * *

TABLE 2

THE SOUTHEAST IS STILL AT THE BOTTOM—AND NOT ADVANCING AS FAST AS THE NATION

Region	Salaries of Instructors			Salaries of Full Professors		
	1957-58	1961-62	Per Cent Increase 1957-58 to 1961-62	1957-58	1961-62	Per Cent Increase 1957-58 to 1961-62
United States	$4,562	$5,582	22.3	$ 8,072	$10,256	27.1
Southeast	4,168	4,963	19.1	6,950	8,736	25.7
Northeast	4,685	5,884	25.6	8,592	11,038	28.4
Middle Atlantic	4,582	5,678	23.9	8,682	10,622	22.3
Middle	4,759	5,837	22.7	8,466	10,626	25.6
Southwest	4,303	5,270	22.5	7,269	8,890	22.3
Northwest	4,500	5,619	24.9	7,274	9,041	24.3
Far West	5,306	5,900	11.2	10,220	11,888	16.3

Salaries for Nine Months' Service, Instructors and Full Professors, All Institutions, U. S. Regions, 1957-58 and 1961-62

mittee's concern for "spread" was directed. This is especially true of public institutions.

Both at private and public institutions in the South, instructors' and professors' salaries on the average have increased about at the same rate whereas in the nation the rate of increase has been substantially greater for full professors than for instructors. In eight Southern states the rate of increase for full professors at public institutions was more than five per cent below the national increase during the period 1959-61 Figure 1). Although some of these states have pay levels well above the regional average, no southern state has reached the national average (Figure 2).

Salary Differences within the Nation

The market for college faculty is a national one, and therefore geographic differences in salary levels are important. The term "academic market place" is appropriate to describe the current scramble for college teachers. The rapid increase in college enrollments has created a heavy demand for more faculty members that has greatly increased the pressures on both "buyers" and "sellers" of academic talent. While salaries at individual institutions should be compared with salaries at similar institutions, the over-all progress of higher education in a given geographic area can be measured in terms of general averages.

Salaries for the ranks of instructor and of full professor—the lowest and highest on a scale—will demonstrate the range of salary differences between regions. Four years ago the Southeastern region, as grouped by the National Education Association, including all SREB states except Texas, Oklahoma, West Virginia, Maryland and Delaware, paid the lowest salaries in the nation for both ranks. The region fell below the United States average by $394 for instructors' salaries and by $1,122 for full professors' (Table 2). Today the Southeast still pays the lowest in both ranks and has fallen still further behind the rest of the nation. The gap between the average salary in the Southeast and the national average has grown to $619 at the instructor level and $1,520 at the full professor level.

Because of the "market place" pressures, salaries have increased in the South. Salary levels have advanced 19 per cent at the instructor level and 26 per cent at the full professor level. However, these increases are both smaller than the national percentage increases, which were 22 per cent for instructors and 27 per cent for full professors.

The South still lags behind the nation in faculty salaries and has actually widened the gap both in absolute numbers of dollars and in relative terms. Thus the $1,520 difference between salaries paid to full professors in the South and nationally, taken as a percentage of the $10,256 national average for professors, means that the South is 15 per cent behind the nation; four years ago it was 14 per cent short of the national average. The gap between instructors' salaries in this region and the nation has grown from nine per cent in 1957-58 to 11 per cent in 1961-62.

Salary and Motivation to Teach

What does "room for advancement" mean in the profession of college teaching? It is sometimes claimed that teachers are an exception to the rule that level of pay is an overriding factor in a person's job choice—that the professor is motivated much more by nonmaterial values. If this were entirely true, not only would the college professor be attracted to the institution with the best intellectual environment, but his competition for a job in that institution would operate as a drag on the level of salaries. The evidence is that

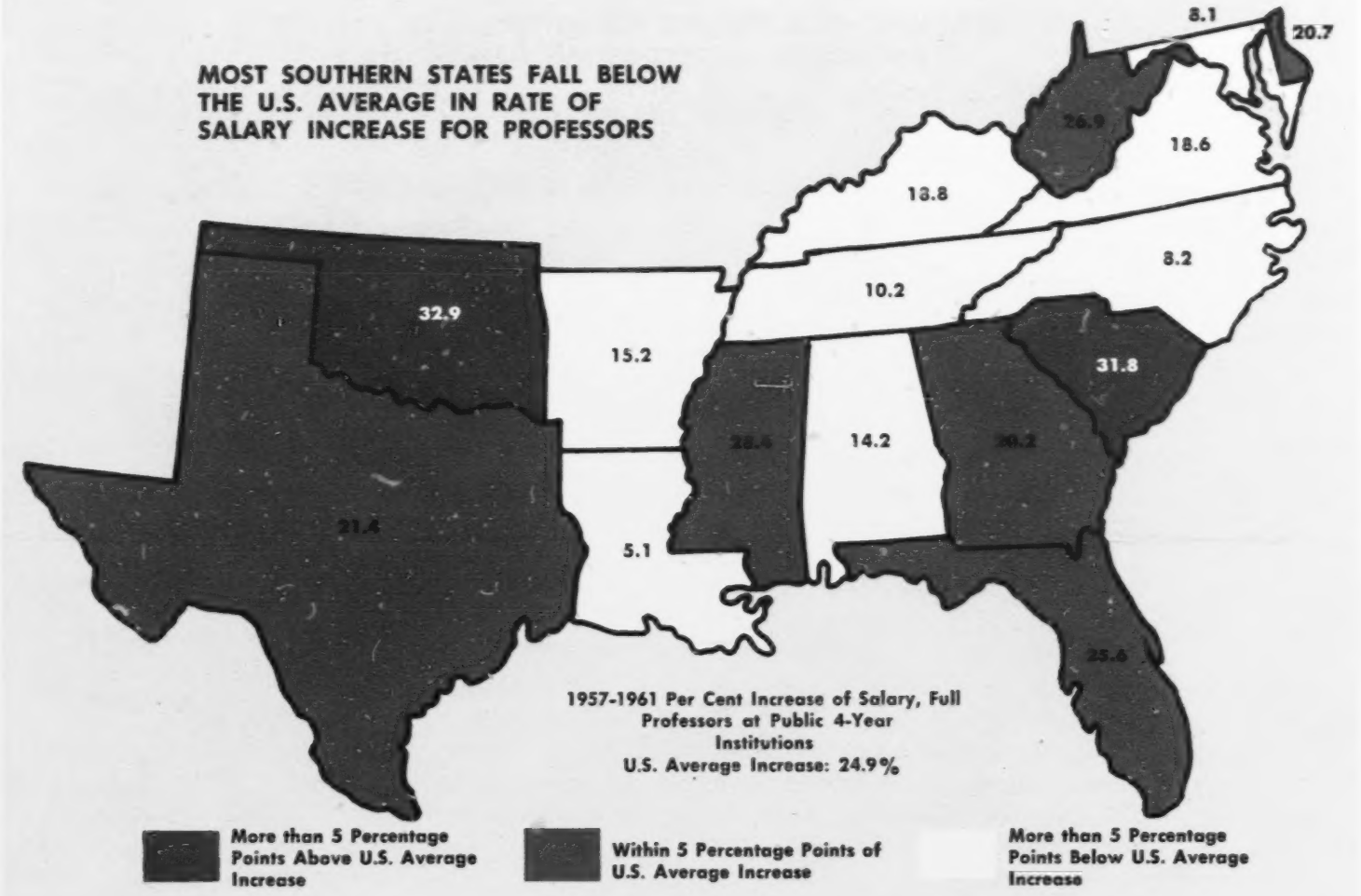


Figure 1

in general this does not occur—in fact, a reputation for academic excellence and relatively high faculty salaries usually go together.

Economic reward does influence college teachers in making decisions about moving from institution to institution and in and out of the teaching profession. The important question is how *much* of a factor is salary in job decisions by faculty members?

A study done for SREB by Dr. John Gustad in 1960 throws some light on the importance of salary in the career decisions of those who choose to remain in college teaching and those who leave the academic calling. It compared a large sample of current and former college and university teachers in the fields of chemistry, English and psychology. The teachers were given a list of 17 reward values and were asked to rate them as "things to be considered in accepting a job." Adequate salary ranked first with each of six groups of *former* teachers, but was ranked first by only one group of current teachers—college chemistry teachers. The current teachers who stay in teaching usually ranked salary about third or fourth in the list of values.

Current teachers indicated that salary was important but gave first choice to "independence of thought and action," "intellectual stimulation from colleagues" or "opportunity for research and study on problems of great interest to me."

Interestingly enough, the study showed that those who left college teaching had slightly better academic records and qualifications than those who did not leave.

These findings support the view that salary considerations are more important to those who *leave* teaching than to those who *stay* in teaching. The virtues of the "stayers" are highly touted, and deservedly so. Independence of thought, desire for intellectual stimulation and the urge for inquiry are the traditional values of a community of scholars. But in a time of impending faculty shortages throughout the nation, it is also important that the "leavers," whose academic qualifications are at least as high as those of the "stayers," are chiefly influenced by the adequacy of salary. If faculty salaries are raised enough to make them competitive with industry and government, this group of "leavers" should constitute a new potential source of qualified college teachers.

Teachers who stay in the profession are also influenced by salary in selecting an institution at which to teach, and every dean knows the problems of faculty

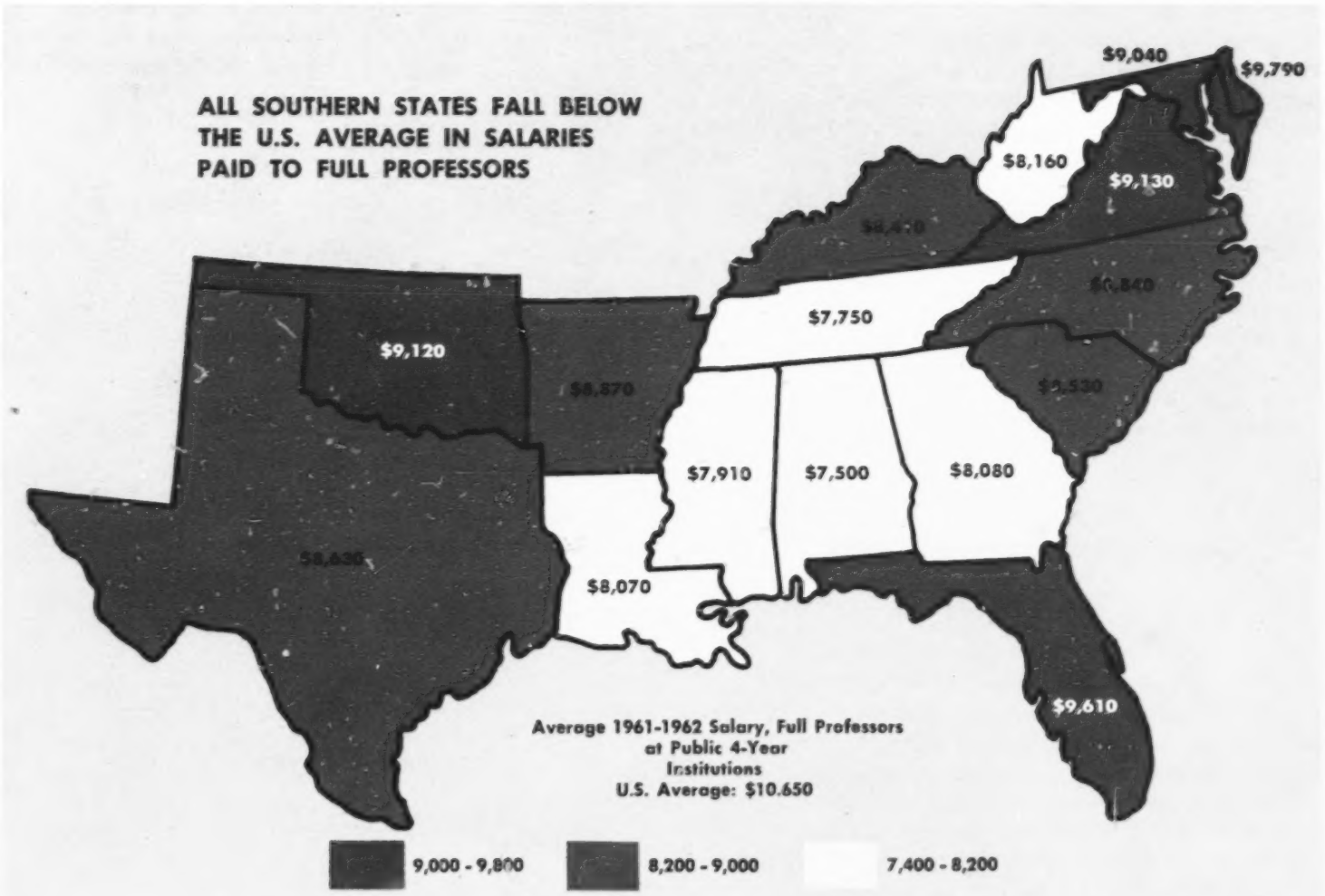


Figure 2

retention within the college teaching profession. While money may mean less to those who stick to the academic, a college very rarely loses a good teacher to another institution except by virtue of an increase in salary.

The financial side of the professor's lot vividly colors the student's image of the faculty way of life by the time a bright young man or woman considers the possibility of a college teaching career. The stereotype of the impoverished professor often is so impressed upon him that he never considers this possibility at all. College teaching should be rewarded sufficiently to attract intelligent young people who do not have an independent income to justify this choice of profession.

Occupational Differences in Level of Pay

Differences in levels of pay between occupations may lead to abandonment of the teaching profession by college teachers—this is clear. How large are these differences?

In a study which tries to eliminate the effects of changes in value of the dollar and in the pattern of taxes, the Fund for the Advancement of Education has conducted an analysis of teaching salaries at all educational levels. The study shows that financial rewards offered to educators by our society, as compared to those for other occupational groups, decreased greatly from 1904 to 1960 and only during the last decade has action been taken to correct this. For example, railroad conductors' "real" purchasing power increased 68 per cent during the years 1904-1953 while that of professors at large state universities declined two per cent. However, during the years 1953-59, professors in large state universities received a 26 per cent increase in real purchasing power, slightly more than the increase experienced by most industrial occupational groups. Figure 3 shows the relative progress of salaries for several occupations in terms of real purchasing power. A college professor earns only $621 (six per cent) more than a railroad conductor in spite of the difference in occupational preparation required by the two vocations.

The starting salary for jobs requiring a Ph.D. is $8,500 to $10,000 in industry—it is $5,000 to $7,000 at large colleges and universities. Even if this is enough to attract good people to college teaching, are the opportunities for advancement in the profession great enough to hold them—especially with industry offering more and more university-like fringe benefits to their research personnel?

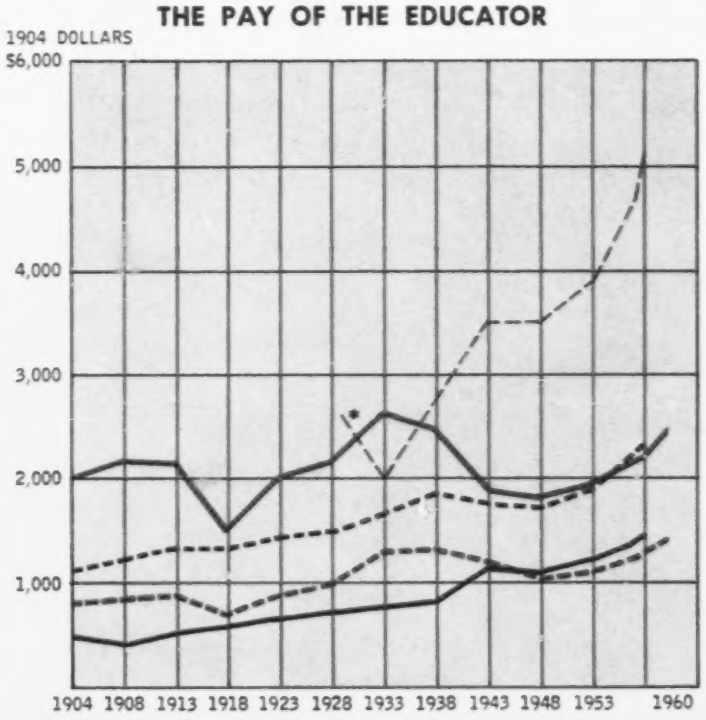
This is a serious question for those responsible for supplying our colleges with qualified teachers. Data about salary trends in the Southern region emphasize a special urgency which this question poses in the South. For the past decade institutions of the South have strained to close the gap between their faculty salaries and those of the nation. The facts are inescapable—it takes more money to attract the best minds to Southern institutions, most of which are still striving to achieve national prestige, than it does to attract them to institutions of established national prestige. Yet the gap between region and nation grows wider instead of narrower.

The year 1946 produced a bumper crop of babies—as a result the year 1964 will see record lines of 18-year olds knocking at our college doors. Southern institutions which expect to have the qualified teachers to serve a growing procession of young people should push ahead now to attract the best teachers and to hold them.

Summary

Instructional costs total about 40 percent of educational and general expenditures at both public and private institutions. The fact that salary is important in the recruitment and retention of adequate faculty staff has been verified by various studies, including a recent sample analysis of present and former faculty members. A study of salary differences between occupations suggests that our society generally underpays its college teachers. The South's failure to provide a greater "spread" between the salaries of instructors and full professors is made more serious by the large pay differences between the South and the nation generally. Recent evidence shows that these differences are becoming greater rather than smaller in spite of substantial increases which occur annually. There are many miles to go before the South is within reach of the teacher salary objectives named five years ago by the President's Committee on Education Beyond the High School.

THE PAY OF THE EDUCATOR



* Data for physicians prior to 1929 not available.

Annual Salary Deflated to "Real" Purchasing Power, Selected Occupational Groups, 1904-1960

Figure 3

SOUTHERN REGIONAL EDUCATION BOARD
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Financing Faculty Salaries